

## ASNE FOUNDATION BOARD OF DIRECTORS MEETING

Oct. 20, 1993 — Portland, Ore.

The board of directors of ASNE Foundation met with a representative of McKinsey & Co., New York, to hear a report on a study of the foundation's fund-raising potential.

Directors present:

William R. Burleigh, Scripps Howard, president  
William A. Hilliard, Portland Oregonian, vice president  
Arnold Rosenfeld, Cox Newspapers, treasurer  
Gregory Favre, Sacramento (Calif.) Bee  
Seymour Topping, New York Times Co.

Others present:

Karen Butler, McKinsey & Co.  
Richard M. Schmidt Jr., Cohn and Marks, ASNE legal counsel  
Lee Stinnett, ASNE executive director, secretary and asst. treasurer

Ms. Butler said the principal goals of the study were to determine how effective the foundation's fund-raising is and whether or not the yield can be increased. She said the overall picture is very positive, and she "firmly believes" that it is possible to increase the yield.

The study involved interviews with top officials of 16 major newspaper companies or closely related foundations. Two of the interviewees represent organizations whose gifts exceed 5 percent of the newspaper's circulation, seven are from companies that give regularly, but in amounts that are under 5 percent of circulation. Eight of those interviewed are associated with companies that give infrequently or not at all.

The interviews indicate that donors prefer to support specific projects than make unrestricted gifts. There is support for the idea of asking potential donors to contribute on a formula basis, to assure them that they are being asked to give a fair share.

The study indicated that neither company size nor attitudes toward giving were correlated to the amount of support provided to ASNE. "All groups feel that supporting journalism organizations is important for their corporate objects," the report states. "With a few exceptions among the weakest contributors, most feel that supporting organizations like ASNE is important. One factor that did seem to correlate to giving was high degree of involvement of the company's editors in ASNE (membership on the board, involvement in committee work, etc.)."

All three groups of donors believe that ASNE provides leadership and education in the newspaper industry.

Many of the donors and potential donors interviewed indicated that ASNE should clarify the purpose of its projects. Some feel that the projects might be more innovative and forward looking. There is a concern that ASNE's efforts overlap with those of other organizations, such as APME and NAA. The Society's leadership in the diversity issue was seen as a big plus for the industry.

The McKinsey study suggests that ASNE's solicitation process could be improved. The Society should ensure that the right person at each company is solicited. Follow-up calls should be made to

ensure that the appeal letter covered all of the salient points. The ASNE Foundation probably could increase the amounts requested, and a circulation-based request ought to be considered.

The board expressed deep appreciation to Ms. Butler and McKinsey & Co. for the pro bono study.

In other business, the board approved the minutes of the April meeting. Treasurer Rosenfeld noted that all members of the ASNE and ASNEF boards have made 1993 gifts or pledges to the foundation.

The foundation provided \$34,577 of its own funds to support projects of the committees and made gifts of \$4,300 to journalism groups, primarily the journalism accrediting council. Projections indicate that about \$41,000 should be available for ASNE committee projects in the current fiscal year.

Contributions from ASNE members increased dramatically last year (to \$21,343). Stock given by the Gannett Foundation in 1987 shortly before the stock market crash was sold and the value recovered.

Mr. Burleigh announced his plan to retire from the Foundation's board next April. He has served on the board since 1986 and as president since 1988. Edward Seaton has been asked to assume the leadership of the foundation in April and has indicated a willingness to do so. The foundation elects officers and new directors at its spring meeting.

The board approved the following banking resolution:

Resolved that Dreyfus, Merrill Lynch, Vanguard and George Mason Bank are hereby designated as depositories for the funds of this Foundation and that said banks are hereby authorized and directed to pay checks and other orders for the payment of money drawn in the name of this foundation when signed by either William R. Burleigh, president; Arnold Rosenfeld, treasurer; or Lee Stinnett, secretary/assistant treasurer. And that said banks shall not be required to make inquiry respecting the application of any instrument executed in virtue of this resolution or of the proceeds therefrom, nor be under any obligation to see to the application of such instrument or proceeds.

There being no further business before the board, the meeting was adjourned.

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Lee Stinnett, secretary and assistant treasurer